

<b>Committee(s):</b> Barbican Centre Board	<b>Dated:</b> 18/05/2022
<b>Subject:</b> Board Effectiveness and Governance report - Update	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	n/a
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>N</b>
<b>If so, how much?</b>	n/a
<b>What is the source of Funding?</b>	n/a
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	n/a
<b>Report of:</b> the Town Clerk	<b>For Discussion</b>
<b>Report author:</b> Ben Dunleavy, Governance Officer	

### Summary

In May 2021, the Barbican Centre Board approved several governance changes. These changes were designed to streamline decision making, improve board effectiveness, create a second external member Deputy Chair role, and formalise issue-specific working groups. In the discussion on this item, the Board agreed to conduct a review of the new arrangements in the future, to consider if they need to be retained, rescinded or advanced.

### Recommendation(s)

Members are asked to:

- Discuss the report and give their views on the effectiveness of the changes implemented in the May 2021 Governance Report
- Discuss potential additional improvements in Board governance

### Main Report

#### Background

1. In May 2021, the Barbican Centre Board approved changes to its governance (see report in Appendix 1). These changes were designed to streamline decision making, improve board effectiveness, create a second external member Deputy Chair role, and formalise issue-specific working groups.
2. When discussing the report, the Board agreed to conduct a review of the new arrangements to consider their effectiveness, and if any of the changes needed to be retained, rescinded or advanced.

3. The changes included;
  - Changes to reports so that they adhered to and improved on City of London report writing guidelines;
  - A main report pack with 'for decision' or 'for discussion' items, with other items to be included in a separate information/appendix pack ('appendix pack'); and
  - Renaming the Nominations Committee the Nominations, Effectiveness and Inclusion Committee (NEI Committee) and expanding its remit to:
    - Discuss and enable the strategic HR agenda, including EDI
    - Delegated responsibility to recommend the hiring of senior officers, and provide input from members to senior management annual appraisals
    - Ownership of Board effectiveness and performance, including expansion of feedback to external Members and a new mechanism for feedback for elected Members.
  - Delegating additional powers to the Finance and Risk Committee to make decisions on behalf of the Board. The Board retained oversight of major items such as the Budget and Business Plan.
  - Structures for Working Groups were formalised in order to maintain them as effective instruments
4. The Board also elected a second Deputy Chair from the external Membership at the May 2021 meeting.

### **Current Position**

5. As a result of the changes agreed in May 2021, the main agenda packs for Board meetings have generally been shorter than they had been historically, with an average size of under 100 pages. The more focused structuring of agendas and the implementation of the appendix pack has allowed the Board to spend more of its time on significant and strategic discussions.
6. The expansion of the NEI Committee's remit meant that the issues surrounding the publication of 'Barbican Stories' were able to be considered quickly and in detail. The delegated decision-making to the Finance and Risk Committee allowed difficult budget decisions to be made in a timely fashion with robust debate and consideration. The minutes of both sub-committees are circulated to all Board members using the appendix pack, and the Chairs have provided verbal updates at Board meetings.
7. There is also a proposal at a later agenda item for this meeting to add oversight of the Arts Council England funding arrangement to the NEI Committees terms of reference.
8. The Board effectiveness process commenced with a Board skills audit. The Board also agreed that external members should serve a maximum of two three-year terms, with an additional three years available in exceptional circumstances.

9. The Working Groups have proved useful in many areas, but may benefit from further Member discussion on how to improve their effectiveness.
10. The arrangement of a second Deputy Chairman, elected from the external Membership, has proved effective.
11. The feedback mechanism for elected Members is yet to be implemented, but is planned to begin soon.

### **Potential future changes**

12. The NEI Committee has been tasked with implementing a plan for inputting into management appraisals. A proposal will be brought forward to the Board this summer.
13. Once new elected and external Board members are in place, it is proposed to hold another Board effectiveness review.
14. Lord Lisvane, in his Review of the City of London Corporation's Governance, proposed greater autonomy for institutions such as the independent schools, Guildhall School of Music and Drama and the Barbican Centre Board. These recommendations included flexibility in the membership of institutional Boards and in arrangements such as terms of office for Chairs and Deputy Chairs.
15. The City's independent schools have already implemented these proposals, changing their composition and introducing term limits for governors and increasing the term limit to Chairs for up to six years.
16. A suggestion has been made that it might be an appropriate time for the Barbican Centre to start considering aspects of its own governance arrangements to better reflect best practice in other leading arts institutions.
17. Arts Council England have provided information on common practise across the arts sector. Typically, Chairs serve for seven to nine years, split into two terms, to help ensure continuity of policy and stability. For example, the Chair of the Royal Opera House Board can serve for two terms of four years, while the Chair of the RSC can serve up to two terms of three years.
18. The Board may wish to consider whether the maximum term limit for the Chair should be extended to four years, akin to the arrangement operated by the Police Authority Board.

### **Conclusion**

19. The implementation of the recommendations of the Board Effectiveness and Governance Report has resulted in several changes to the ways in which the Board carries out its duties. Members are asked to consider if these changes have proved effective, and to start considering what further changes might be implemented.

### **Appendices**

- Appendix 1 – Board Effectiveness and Governance Report (May 2021)
- Appendix 2 – Barbican Centre Board Terms of Reference

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